

**TO: JOINT WASTE DISPOSAL BOARD  
28 MARCH 2007**

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**PROJECT UPDATE  
(Report by the Project Director)**

**1. INTRODUCTION**

- 1.1 The purpose of this report is to inform the Joint Waste Disposal Board of progress since the last meeting of the Board on 10 January 2007.

**2. RECOMMENDATIONS**

- 2.1 **To note progress made since the last meeting on 10 January 2007.**

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 To ensure the Board is kept aware of the project's progress.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 None – no formal decisions are sought.

**5. SUPPORTING INFORMATION**

**Background**

- 5.1 The Joint Waste PFI Contract was signed with WRG on 31 October 2006. After a short mobilisation period, the service commenced on 4 December 2006, when WRG took on the management of the two Key Project Facilities in Bracknell and Reading and the Bring Banks within each of the three councils.

**Operations**

- 5.2 The two existing Project Facilities, have been operating in much the same way as they did prior to WRG assuming management of them. Significant changes in service delivery will be apparent once the new facilities are constructed.
- 5.3 Across the three Boroughs, WRG have been making some changes to the way in which the complement of bring banks are managed.
- 5.4 WRG have completed their survey of bring bank provision across the contract area. This has been passed to each of the councils' operational teams and has been approved. The new schedules will be broadly unchanged in Reading and Wokingham but do represent a significant change in Bracknell.
- 5.5 The previous bottle bank emptying regime in Bracknell was less regimented than in the other two Boroughs. Whilst a schedule existed, it was common for the council team to request ad hoc emptyings at short notice. In addition, a handful of sites were scheduled for "as and when required" emptyings.

- 5.6 That sort of flexibility would be impossible to maintain across the three Boroughs. As a result, the new WRG schedule will mean that bring banks in Bracknell are now emptied on a known schedule, based on the most recent information available and the levels of site utilisation.
- 5.7 Appended to this report is the Monthly Performance Report for January, related to the operation of the contract.
- 5.8 The Monthly Performance Report is required by the Project Agreement and is where WRG report their performance against all the agreed Key Performance Indicators (KPI's).
- 5.9 Not only does it detail the statistics relating to performance failures in the operational elements of the contract but it provides a useful narrative to the month in question.
- 5.10 The only area in which there were reported performance failures during January, is the vehicle turnaround times KPI (SO2:2 in section 3 Waste Reception and Transfer). This KPI requires that each Council authorised vehicle is on site for no longer than 20 minutes from the time it weighs in to the time it weighs out. The main issues giving rise to these failures have now been identified and steps taken to deal with them.

### **Financial**

- 5.11 In accordance with the Project Agreement, monthly invoices based on the waste forecast have been submitted on time by WRG and payment made. A quarterly reconciliation is also required. The first of which was at the end of December. This has proved to be problematic due to subcontractors not providing data in a timely fashion.
- 5.12 We will soon begin work on the second revision of the waste forecast. This process is intended to ensure that the forecast is as close to (what transpire as) the actual tonnage of waste received and managed within the contract over subsequent quarters. Whilst any differences can be reconciled on a quarterly or annual basis, the purpose of this process, in a financial sense, is to ensure that there is an efficient cashflow.
- 5.13 The Landfill Allowance Trading Scheme (LATS) is now in its second year. There appear to have been small amounts of trading between authorities with a surplus and those with a deficit. The project is currently producing a surplus of LATS credits and a decision will need to be made on whether to bank or trade them.
- 5.14 An Officer at Northamptonshire County Council (NCC) recently contacted the Project Team in relation to LATS trading. As a result, the Project Director and Project Manager are meeting with representatives of NCC at the end of March and we anticipate that they may make an offer to purchase some surplus landfill allowances from the three councils.

### **Management Arrangements**

- 5.15 Following the last meeting of the Joint Waste Disposal Board a report was prepared for and agreed by the Chief Executives concerning the appointment of the Project Director. This report has now been shared with the Chairman together with the Executive Members on the Board representing Bracknell Forest and Reading as the suggested way forward.

5.16 As agreed at the last Board meeting, the recruitment process for the Project Manager Post was undertaken. Following an application and interview process, Oliver Burt, was appointed on 25 January 2007

Background Papers

Reports to Joint Waste Disposal Board, 10 January 2007

Contacts For Further Information

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